

## U.S. Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Spending Oversight

Senator Rand Paul, M.D. (Kentucky), Chairman



## **WASTE REPORT for January 4, 2016**

## **Have You Been Deported? Get Uncle Sam's Help Starting a Business**

When a child gets caught with their hand in the cookie jar, they don't typically get rewarded with an extra cookie. Yet the Obama Administration has decided they will take the unusual step of rewarding illegal immigration by providing business support to undocumented immigrants from El Salvador that were deported from the United States.<sup>[1]</sup> To be clear, the program isn't incidentally helping deportees—it is directly intended to assist them.

The program, which is administered by the non-profit Instituto Salvadorno Del Migrante (INSMI - translated to Institute of Salvadorian Migrants) and funded through a \$50,000 grant from the taxpayer-backed Inter-American Foundation, "will further develop a network of returned migrants, including deportees, facilitate reintegration into their communities and support their enterprises by offering financial education, technical advice and assistance with business plans."[2]

So, if you break the rules and get deported, we'll help you start a business back in your home country. How absurd. It seems that the justification for this program is that returning deportees often have trouble getting business loans. INSAMI director Cesar Rios was quoted saying, "[t]he mistaken reasoning of bankers is that if they lend a deportee [\$]10,000, tomorrow morning he'll be in New York because he'll use the money to pay for a new trip." [3]

Mistaken reasoning? With a cost of \$4,000 to \$10,000 per person to hire a smuggler to get someone into the U.S. illegally (as part of a \$6.6 billion industry) Salvadorian banks may have a reasonable fear that their money will not actually go into a business.<sup>[4]</sup> This fear is particularly valid considering the individuals in question have already demonstrably left El Salvador seeking undocumented residence in the United States. So while banks justifiably hesitate to take on such a risk, it is apparently perfectly reasonable to pass that risk on to the American taxpayer.

According to the project synopsis, 30 percent of the Salvadoran population lives abroad, mostly in the U.S. "Many are undocumented and vulnerable to deportation." What kind of message does this send to people in El Salvador or elsewhere who play by the rules? Keep in mind that the assistance under this program is targeted to deportees, meaning that it's possible they were sent home for reasons beyond simple immigration infractions.

The Inter-American Foundation has sought to clarify that the program is not "intended" for criminal deportees (those deported after committing crimes in the U.S.), but the FSO Subcommittee has yet to receive definitive confirmation that criminal deportees are in fact prohibited from receiving funds, nor has any specific award criteria been provided to verify.

What we do know is that about 30 percent of the returning deportees were deported due to violent or other crimes beyond undocumented presence. [5] Yet arguments made by backers of these programs do not instill confidence that funds are protected. In fact, part of the justification for the program is that "the impression [in El Salvador] is that most of those sent home are gang members or criminals." Incredibly, program advocates have actually argued that such an impression would be unfair given that most returning criminal deportees' crimes include, "assault, drunk driving, and drug possession," [6] as though those crimes are in some way trivial.

## Taxpayer dollars should <u>not</u> be used to reward people that disregard our laws.

[2] Ibid

Migrant socio-economic reintegration; Inter American Foundation, Washington, D.C; 2014 http://www.iaf.gov/index.aspx?page=2097

<sup>[3]</sup> Avala. Edgardo: From the American Dream to the Nightmare of Deportation: Inter Press Service: Rome, Italy: Jan 2015

<sup>41</sup> From bribing drug cartels and immigration officials to paying for hotels and train rides: Coyote smugglers reveal costs involved in smuggling child migrants from Central America to the U.S.; The Daily Mail; London, United Kingdom. July 2014

<sup>[5]</sup> Ayala, Edgardo; From the American Dream to the Nightmare of Deportation; Inter Press Service; Rome, Italy; Jan 2015